



## Commonwealth of Kentucky Public Protection Cabinet

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**FOR IMMEDIATE RELEASE**

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### **Community Banking Report Details Survey Results** *DFI Encouraged Kentucky Banks to Contribute Data*

**FRANKFORT, Ky. – (Oct. 3, 2013)** – Today the Department of Financial Institutions (DFI) joined the Conference of State Bank Supervisors (CSBS) and the Federal Reserve System in releasing a report on the challenges and opportunities facing today's community banks.

"Community Banking in the 21<sup>st</sup> Century: Opportunities, Challenges and Perspective" is a first-of-its-kind report on the challenges and opportunities facing today's community banks. The report was produced and released in conjunction with the CSBS-Federal Reserve "Community Banking in the 21<sup>st</sup> Century," an inaugural community banking and research conference held this week in St. Louis, Mo. The report is an in-depth look at the results of the town hall meetings and surveys conducted by state bank supervisors this past spring and summer. It represents the direct views of community bankers from states experiencing different economic and fiscal realities.

DFI staff met with 47 community bankers in June, and surveyed others to gather firsthand accounts of the perceived challenges and opportunities.

"State financial regulators throughout the U.S. held meetings with more than 1,700 bankers in 28 states," summarized DFI Commissioner Charles Vice. "Many of the bankers said their biggest concern was the one-size-fits-all approach to banking regulation by policymakers in

Washington, D.C. They also said their greatest opportunity was differentiating themselves from larger banks while rebuilding consumer confidence in the banking system.”

The first part of the report presents current and historical community banking data to provide an appropriate context for understanding how the industry has changed over the past two decades. It helps to frame discussions on how the industry might be poised to react to future challenges and take advantage of future opportunities.

Part two synthesizes and analyses, in aggregate, the responses to the questions that community bankers were asked at town hall meetings across the country. The report highlights responses common to a majority of community bankers and further highlights unique and innovative responses to the questions asked.

“These extensive reports serve as the foundation of the publication, but also generated meaningful dialogue at this week’s conference,” said Vice. “My hope is for state and federal regulators, members of the industry, academics and policymakers to have a constructive discussion regarding our banking system and how its regulation can better serve Kentucky and the nation as a whole.”

Visit <http://www.stlouisfed.org/CBRC2013/town-hall.pdf> to view the report.

Conference information and research paper abstracts are available at <http://www.stlouisfed.org/banking/community-banking-conference/>.

DFI, <http://kfi.ky.gov>, is an agency in the Public Protection Cabinet. For more than 100 years it has supervised the financial services industry by examining, chartering, licensing and registering various financial institutions, securities firms and professionals operating in Kentucky. DFI’s mission is to serve Kentucky residents and protect their financial interests by maintaining a stable financial industry, continuing effective and efficient regulatory oversight, promoting consumer confidence, and encouraging economic opportunities.